GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA

UNSTARRED QUESTION NO:5206
ANSWERED ON:29.04.2005
PMGSY
Singh Shri Dushyant

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether some State Governments have sought additional fund from the Union Government to implement Pradhan Mantri Gram Sadak Yojana (PMGSY);

(b) whether Rajasthan is one such State which has exhausted most of the available fund under PMGSY;

(c) if so, the steps taken by the Union Government to sanction additional fund to Rajasthan and other States where the work is pending due to paucity of funds; and

(d) if so, the details thereof ?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT(SHRIMATI SURYAKANTA PATIL)

(a) to (d) Yes, Sir. Several States, including Rajasthan have requested for additional funds. The Pradhan Mantri Gram Sadak Yojana (PMGSY) is estimated to require approximately Rs. 1,32,000 crore including Rs. 69,450 crore for providing new connectivity. The Bharat Nirman Programme announced by the Finance Minister in his Budget Speech on 28th February 2005, requires an investment of about Rs. 48,000 crores upto 2009 for rural roads. The funding presently identified for the programme, from 50% share for rural roads from the cess on High Speed Diesel is inadequate. Additional funding is being arranged, inter-alia, from the Asian Development Bank (ADB) and World Bank. A loan agreement has been signed with ADB in November 2004 for $400 million for the States of Madhya Pradesh and Chhatisgarh. A loan agreement has been signed with World Bank in August 2004 for a loan/credit of $399.5 million for the States of Himachal Pradesh, Jharkhand, Uttar Pradesh and Rajasthan. Discussions are at an advanced stage for a second ADB loan of $ 400 million. Finance Ministry has also been requested to impress upon ADB to advance a third loan of $ 350 million and club it with the second loan, as well as to expedite a second World Bank IDA loan/credit of $ 500 million.